

2 February 1984

MEMORANDUM FOR: Deputy Director of Central Intelligence  
FROM: Director of Central Intelligence  
SUBJECT: Follow-up Items

1. Special Activities: See attached memorandum.
2. HUMINT: See attached memorandum.

3. NSDD 84: Justice has proposed three options: (a) quit, (b) go forward with a readiness to compromise on duration and restrictions and application of polygraph and other areas, and (c) ask for new legislation to punish unauthorized disclosures, largely to demonstrate a continuing interest in protecting classified information while giving up on the real substance of what is needed to protect it. Stilwell, Meese, Willard and I were the only ones there who seemed to be anxious to go forward, although everyone was concerned about the Administration being seen as making an abject retreat. It is clear that no strong and coherent effort has been made to present the need to protect classified information. Everybody has been retreating before the media onslaught against the idea. The papers prepared for this meeting are, according to Meese, the best presentation of what is at stake yet to be put together. Still, everybody is fuzzy on what is meant by SCI, Top Secret, etc. They were surprised to find that of the 112,000 people cleared for SCI only 10,000 non-military personnel are affected. It was left that an effort would be made to find someone in the Senate, Chafee or Lugar seemed to be principal candidates although there should be others, to lead the fight and to test the waters as to the prospects of winning. The vote in the last session which put a moratorium on these protective steps was lost by 20 or so votes so that only 10 votes are needed to win. Also, they were only voting on a moratorium and were told that the purpose was to buy time to study the problem. So, I don't think the battle is lost at all but there will be a need to prepare the case more carefully and more hard work on the Hill. Meese asked that we put Sporkin on it. The main thing that is needed is a presentation which shows the magnitude of the losses that have been suffered from leaks. Gates examples of what leaks have done to damage our ability to protect against terrorism, [REDACTED]

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4. FOIA: I also had a meeting on FOIA on 27 January. [REDACTED] seemed dispirited about his inability to prove damage. If you want to win you can't afford to get dispirited simply because your opponents demand proof of what is self-evident or ask you to prove the negative. There is to be [REDACTED]

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testimony on this on 7 February. I asked that the best case be put together so that I can get a look at it before leaving this week. [redacted] agreed that we should work together on this and I said I would ask you to keep in touch with him after I left. Meese is probably the person in the White House to work with. I suggest that you touch base with Meese [redacted] to get directions set and commit Clair and Sporkin and their people to this task.

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5. Intelligence Assets in Wartime: I read the papers from [redacted] shop which I gave you to read before you left for California, and it appears to me that a heavy press is coming to give the Secretary of Defense authority over intelligence assets in wartime. The papers they prepared show strong arguments either way. It is important that we prepare carefully for this, going back to the history of World War II. As I recall it, OSS reported to the Joint Chiefs but apart from that was subordinated directly to the White House and did not go through the Secretary of War and the Secretary of Navy. Reporting to the Joint Chiefs may amount to the same thing. All this history and precedent should be carefully researched to develop a correct position for us to take.

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8. Soviet Defense Spending Estimates: Senator Cohen made an urgent request that DIA and CIA get their Soviet defense spending estimates together in a coherent fashion so that the committee is not faced with differences or changes which they will then not be able to explain because the information is classified. Cap also expressed concern at this at breakfast on Friday and Bob Gates is developing a new method of presenting the Soviet defense spending data in the context of the force structure which is really what concerns us and should influence our budget levels rather than what they spend.

9. Radio Marti: I think our response to Radio Marti will be a big issue for February. We should make sure we marshal the best talent in town to deal with it.

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11. Terrorism: See attached memo.

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13. Stealth: [ ] excellent memo in response to Senator Nunn's question on Stealth answers that one very well.

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14. I have been collecting this information for a few days and you will recognize that some of it may be OBE. You will also recognize that time has overtaken some of these items.

William J. Casey

Attachments

2 February 1984

MEMORANDUM FOR: Deputy Director of Central Intelligence  
FROM: Director of Central Intelligence  
SUBJECT: Free-flowing Thoughts on Terrorism

1. In talking to the President today and later Fred Ikle, who came over to talk about the new NSC package on terrorism, a lot of thoughts and worries that I have been developing came up as well as theirs, and I take this means of passing them on to you.

2. I have a strong feeling that while we have a lot of people working on it, we do not yet have the capability to develop, maintain and keep in focus a coherent picture of the changing threat theory, nor are we addressing all the elements which may be necessary to deal with any form it may take at any given stage. There is a need for an organized and orderly accumulation of the sippets of information that come in. [REDACTED]

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In the stream of small plane threats, post threats, large plane threats, we have couples in tandem waltzing through European airports, coming on radar screens and disappearing in a couple of days with nobody knowing when they may turn up again. [REDACTED]

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3. I don't know how you keep all this fast-moving data constantly in focus but there needs to be a single point charged with making that effort.

4. I told the President that some day there would be another large-scale attack or disaster and that the only effective retaliation would be against a national state practicing the sponsorship of terrorism for political means. There are really only three such states and any one may be involved in any single incident. They are Iran, Libya and Syria. Fred Ikle said that some planning for this contingency was being done at the JCS, but that it was not adequate and that it needed to be supplemented by continuous planning elsewhere. This needs to be pushed. Preventive effort thus far has largely consisted of intelligence to participate and security arrangements to resist. This needs to be supplemented and to be effectively carried out, to be conducted within a framework of a diplomatic initiative working towards cooperation between all the target nations. The approach I like is to resuscitate the international law of piracy, which a couple hundred years ago implied an obligation on the part of states to seize pirates before they could do their dirty work. The terrorists might be treated as modern pirates with everybody committed to apprehend and check out suspects if only to slow down a possible attack while

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putting them through the appropriate legal processes. This would then be implemented by tighter controls, exchanges of information, etc., etc., etc. The balance of the initiative would be addressed to states practicing the support of terrorism, i.e., economic, diplomatic, and political squeeze.

5. On action to anticipate and preempt terrorist attacks, some nations have more freedom than others. Some can provide police training and others can't. In our case, we now cannot assassinate but when there was a Hitler assassination would have been popular. We certainly don't have to extend the restrictions now extant. Any NSDD should make clear that any action has to be within the Executive Order. Legality of self-defense would not violate the Executive Order.

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7. I would like to see an effort to articulate a comprehensive diplomatic, political, military, special activity, intelligence program to provide protection against international terrorism in which a lot of nations would be invited to participate. We probably have the best background for putting this together than any other part of the federal government.

8. We should put an NIO, a DDOer, a DDier and a lawyer together to see what they can come up with.

William J. Casey

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The Director of Central Intelligence

Washington, D.C. 20505

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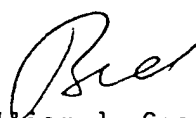
27 January 1984

84 - 538

MEMORANDUM FOR: The Honorable Robert C. McFarlane  
Assistant to the President for  
National Security Affairs

Following up on our talk yesterday about what  
may have been meant by the reference to HUMINT in  
the NSPG briefing [redacted] this response to your  
suggestion about [redacted] spotters to guide naval  
gunfire is interesting.

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William J. Casey

Attachment

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